



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

FINDINGS DOCUMENT

Utah Coal Regulatory Program

PID: C0070005
TaskID: 4397
Mine Name: SKYLINE MINE
Title: NORTH LEASE PERMIT MODIFICATION

General Contents

Right of Entry

Meets Requirements

Analysis:

The coal lease information is found in Section 114 and Appendix 118A of the application. Lease areas are shown in red on Drawing 1.6-3. Permit (disturbed area) is shown in green on Drawing 1.6-3. The lease area boundary legal description was revised to reflect approximate lease boundaries.

The 2012 application from Canyon Fuel Co., LLC is for a 770.52 acre Significant Revision for the North Lease, BLM Coal Lease UTU-67939, of the Skyline Mine. Table 1.114 records the increase in the total federal lease acreage and reflects the active lease acreage described in the narrative in MRP Section 114. The acreage approved for underground coal mining and reclamation stated on p. 1-39 is 10,733.38 acres. This acreage is equal to the total active lease acreage (10,611.41 acres given on Table 1.114) plus the surface disturbance acreage of 121.97 acres (stated on p. 1-37).

The total subsurface acreage for the No. 3 mine will be 3,810.06 acres (p. 1-36), an increase of 25%. The lease modification will add panels 13 and 15 Left, extending mining beneath Granger Ridge into Sections 25, 26 and in the NE1/4NE1/4 Sec 34 in T 12 S, R 6 E, refer to Dwg. 3.3-2.

Drawing 1.6-1 shows the surface is owned by D. Euray Allred and Madelyn E. Allred Trust and the United States, managed by the U.S. Forest Service. This information has not changed.

With regard to the January 2011 IBC, the warranty deed from Peabody Natural Resources is found in Appendix 118A and provides the rights to mine the coal in T 13 S, R 6 E, Section 36, S/2N/2, N/2S/2. As can be seen on Drawing 1.6-3 only a portion of the fee coal conveyed by the warranty deed will be mined.

pburton

Public Notice

Meets Requirements

Analysis:

An affidavit of publication is included in chapter 1 (on page 37 of the electronic copy of the application).

Permit Application

Analysis:

pburton

Environmental Resource Information

Prime Farmland

Meets Requirements

Analysis:

The application updates the prime farmland discussion in Sec. 2.14 p. 2-161, and provides the referenced correspondence from Joe Dyer in Appendix Volume A-2. The Division concurs with the NRCS evaluation.

pburton

Hydro Info Baseline Info

Analysis:

In response to baseline water monitoring related deficiencies listed in Taks No. 4208, the mine has collected additional baseline samples in May and June of 2013. Also, Peterson Hydrologic provided an independent assessment of historical water monitoring in the greater Skyline Mine area as it relates to the North Lease expansion area. The Division asked for one spring/summer sample and one fall sample from the same water year to establish seasonal variation. With the submittal the Applicant had established one more spring /summer sample at all of the new monitoring locations but a fall sample had not yet been taken. It is the understanding of the Division that the Applicant has taken the additional sample required and will submit the information in the next submittal. The Division feels that additional baseline sampling of the new locations would be useful before longwall mining begins in the area.

Deficiencies Details:

R645-301-724.100; The Applicant should submit data for one more sampling event to establish a low flow measurement at all six sampling locations. The MRP should be updated to include information that all six sampling locations will continue to be monitored for baseline data until mining begins of panels 14 and 15. Also, in addition to monitoring locations S26-1 and S25-32 for operational parameters, the MRP should be updated to include the lower Wife Creek monitoring location as an operational monitoring point.

adaniels

Hydro Consequences

Analysis:

In response to deficiencies related to the Probable Hydrologic Consequences (PHC), section 2.5 of the MRP, additional information was added to page 2-51g stating that adverse impacts to surface and groundwater is not anticipated. This section also refers to a Petersen Hydrologic report that reaches the same conclusion. The PHC has been updated to reflect the new samples taken this year.

In response to deficiencies related to water rights in the area of the North Lease expansion, a discussion of water rights was expanded on page 2-30K. The mine includes reasoning as to why WR 91-3916 was not considered for water monitoring after a discussion with the land owner. During an inspection of the monitoring sites on September 16, 2013 which included representatives from the Division of Water Rights as well as the Forest Service, the locations being monitored were evaluated. From discussions with mine personnel it appears that WR 91-3916 is not significant enough to warrant monitoring, especially considering that water monitoring location S25-32 is located in the same drainage below the water rights and appears to be a much more significant spring.

Deficiencies Details:

R645-301-728.100; The PHC should be updated to include all baseline sampling information. Table 2 of the "Summary

of the Spring and Seep Survey and Baseline Monitoring Activities in the Wife and Andrew Dairy Canyon Areas, 2011-2013â€• should be corrected so that the East Fork of Andrew Dairy monitoring location is listed as a spring.

adaniels

Operation Plan

Sub Control Plan Subsidence

Analysis:

Copies of the notification letters required by R645-301-525.700 have been included in the application and were sent to the Division files.

pburton

Wildlife Endangered

Meets Requirements

Analysis:

A survey for the Western Toad was conducted in 2013 and is located in Appendix volume A-2. Alpine Ecological conducted a Wildlife Survey Report for the Power line, ventilation Hole, Access Road Analysis area, subsidence area and the spring survey in 2013. One Goshawk response was recorded near burnout Canyon. Alpine Ecological consultants and FS wildlife biologist, Jeff Jewkes determined that the call was most likely from the pair occupying the burnout canyon nest territory. Western toad surveys were conducted around five springs with suitable habitat. Western Toad was not identified during the survey. Alpine Ecological recommended that the surveys in subsequent years be in coordination with the UNHP, UDOGM and USFS in order to refine survey area requirements and to ensure nesting data is transferred and up to date protocols are followed.

icampbel